

## **Supersizing of America: The New Challenge of Obesity**

**Satellite Conference  
Thursday, August 11, 2005  
1:00-2:30 p.m. (Central Time)**

**Produced by the Alabama Department of Public Health  
Video Communications Division**

## **Faculty**

**Paul Terry, PhD  
President and CEO  
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Minneapolis, Minnesota**

## **Faculty**

**Mark Muller, MS  
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Minneapolis, Minnesota**

## **Program Objectives**

- **Appreciate the complexity of the obesity epidemic.**
- **Understand the importance of a balanced approach including individual responsibility and social responsibility in addressing the issue of obesity.**

## **Program Objectives**

- **Be able to apply concepts related to the balance needed to address obesity to other topics that have similar social impact.**

## **The Institute for Agriculture and Trade Policy**



**Working to maintain  
family farm  
agriculture through  
regional, healthy  
food systems.**



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## To Change Agricultural Policy, Get the Eaters!

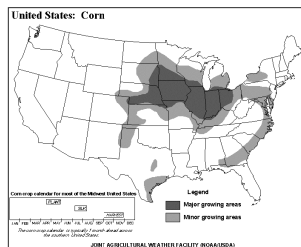
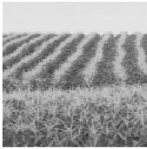
- More than farmers
- More than environmentalists
- More than taxpayers
- More than trade unions
- More than anti-hunger orgs

## Working Landscapes

Our landscapes can do much more  
than just produce food and fiber:

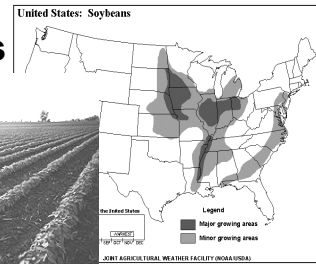
- Clean air and water
- Wildlife habitat
- Quality of life
- Viable rural economies
- Healthy diets

### Corn



In the 12-state corn belt, in 1972 only  
one county had over 85% of its total  
acreage in corn and soybeans...

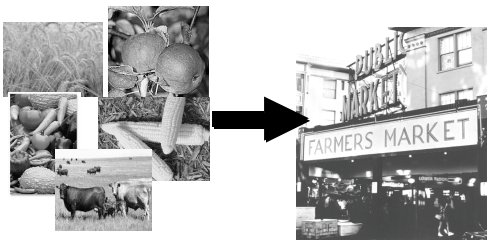
### Soybeans



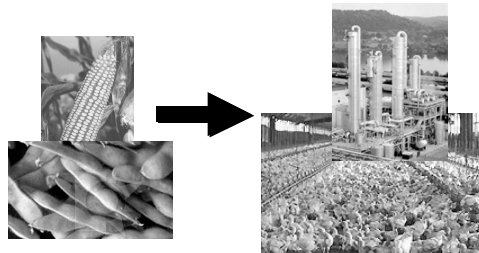
...while in 1998, 28 counties had over  
85% of their acreage in corn and  
soybeans.

Dr. Paul Porter, University of Minnesota

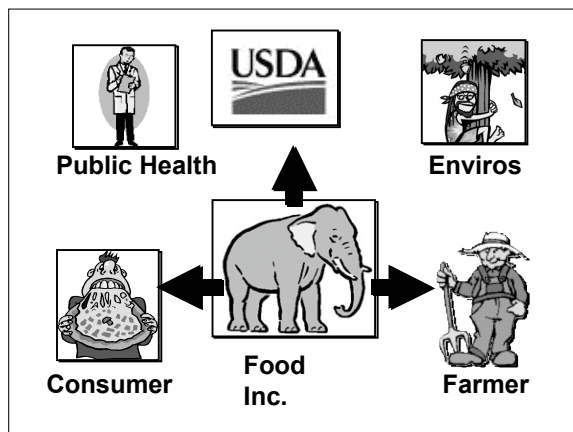
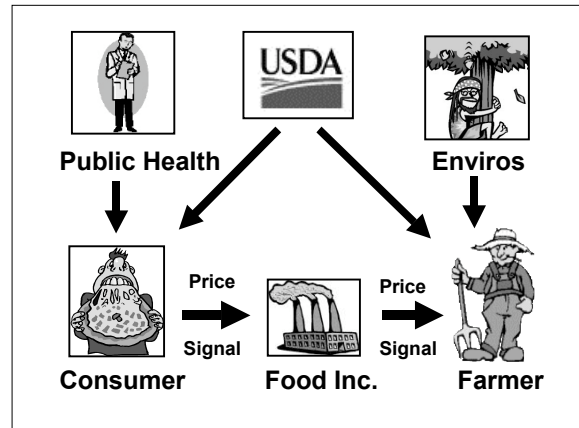
## From Many Crops Serving Primarily One Market...



## ...To a Few Crops Serving Multiple Uses



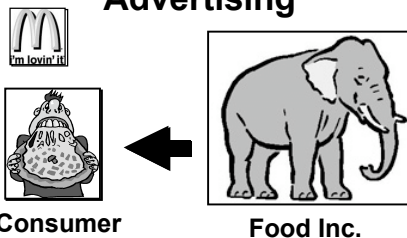
## How To Foster Change in the Food System?



"Imagine that a giant elephant had walked into your living room. It doesn't matter if it is a good elephant or a bad elephant, it's still going to break something."

Dr. Willard Cochrane,  
Professor Emeritus,  
University of Minnesota  
Chief Agricultural Economist in the  
Kennedy Administration

## The Food Industry Spends Over \$7 Billion a Year on Advertising



Source: ERS, U.S. Food Marketing System, 2002

## Top U.S. Restaurant Sales, 2000

McDonald's (McDonald's, Boston Market, Dominos Pizza, Chipotle)	\$20.4 billion
Tricon Global (Taco Bell, Pizza Hut, KFC)	\$14.5 billion
Diageo PLC (Burger King, Haagen-Dazs)	\$8.6 billion
Wendy's (Wendy's, Tim Hortons)	\$5.8 billion

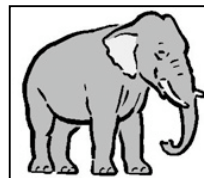
Source: ERS, U.S. Food Marketing System, 2002

## Value of U.S. Production

Corn	\$24 billion
Soybean	\$14 billion
Wheat	\$8 billion

Source: Estimates made from USDA Ag Baseline Projection Tables, February 2005

The food industry now invests more on agricultural research than the public, while also heavily influencing public research

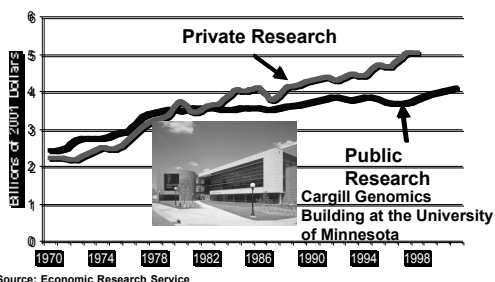


Food Inc.

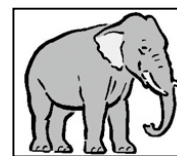


Farmer

## Public and Private Agricultural Research



The food industry is one of the top campaign contributors to most agricultural committee members



Food Inc.

## Top Industry Supporters for House Ag Chair Bob Goodlatte (R-VA)

- Agricultural services/products - \$87,125
- Crop prod. & basic processing - \$72,500
- Food processing & sales - \$45,500
- Poultry & eggs - \$40,653
- Computers/internet - \$37,723

## An Industry Heavily Invested in Continued Low-Priced Commodities

- Harvesting equipment
- Transportation & storage
- Processing facilities
- Distribution
- Advertising campaigns
- Menus
- Federal farm policy

## Crop Subsidies Play a Small Role in the Direction of Agriculture

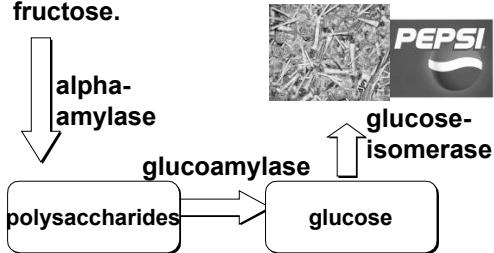
- Low prices necessitate subsidies, not vice-versa
- The key issue is not how price impacts farmer decisions, but the impact of price on industry decisions
- Low prices trigger more food industry investment

## U.S. Sweetener Policy

- Import quotas and marketing allotments used to maintain fair price
- No government payments to sugar growers
- Food industry would prefer cheap imports

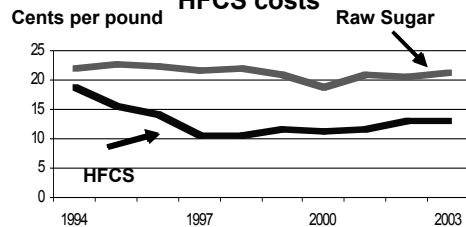


High fructose corn syrup proliferated in the 1970s after the development of a low-cost method of using three enzymes to convert corn starch to fructose.



## Sweetener Costs

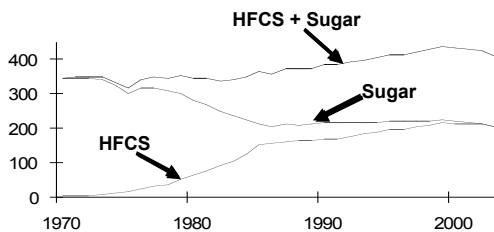
Low corn prices sparked investment in HFCS production, further reducing HFCS costs



Sources: Raw sugar cost data from the New York Board of Trade, HFCS cost data from Milling and Baking News.

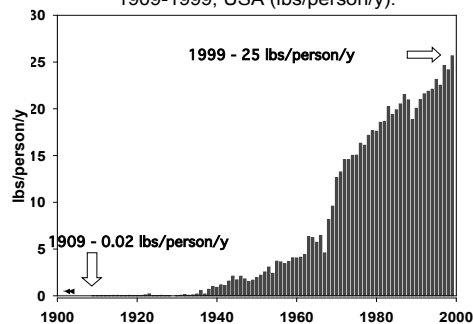
## HFCS and Sugar Consumption

Calories per person per day



Source: USDA ERS

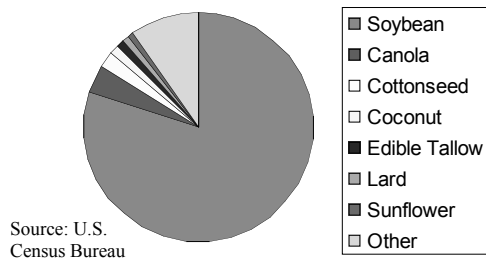
Soy oil available for food consumption 1909-1999, USA (lbs/person/y).



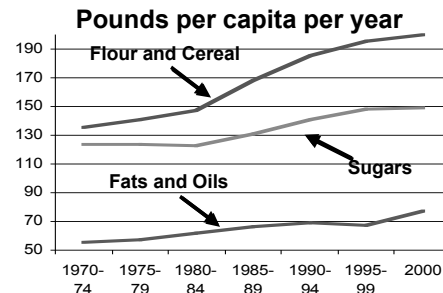
NIH. Hibbeln et al. <http://efaeducation.nih.gov/sig/efa2.html>

## U.S. Fats and Oils Edible Consumption, 2003

Over 80% from Soybean



## U.S. Consumption of Grains, Fats and Sugars



## Farm Policy Creates a Strong Incentive for Grain-fed Livestock

Health benefits of grass-fed meat and dairy include:

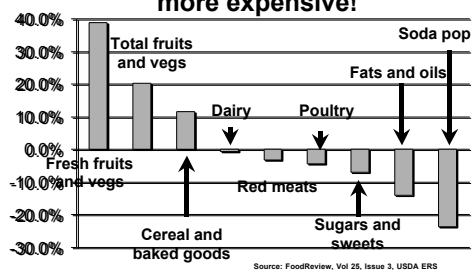
- Lower concentrations of total fat and calories
- More healthy omega-3 fatty acids
- More cancer-fighting conjugated linoleic acid (cla)

## What Crops are Not “Program Crops”?



## Increase in Food Prices, 1985 –2000, Real \$

Junk food cheaper, fruits and veggies more expensive!



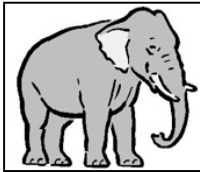
## Cheap Commodities Have Fostered an Enormous Food Marketing Industry

With the low cost of prepared foods, why bother

- Gardening?
- Baking bread?
- Cooking meals?

## **If You Grow It, They Will Come**

**Rather than topple the elephant, attract  
more food industry investment in  
healthy foods**



## **Reward Farmers for Growing Healthy Food**

- For example, pay farmers \$25,000 /year for being small, environmentally sound produce farmers
- Shift crop research into extending growing seasons and utilizing waste heat
- Food industry will shift to utilize this new supply

## **Expand Demand for Healthy Food**

- Expand farm to cafeteria opportunities, farmers markets and other regional food initiatives
- Provide processing and distribution assistance for regional produce farmers
- Government functions should procure as much regional, healthy food as possible

## **Maintain Fair Grain Prices**

- Agricultural markets have inherent flaws that result in market-distorting prices
- Fair grain prices would reduce excessive food industry use of corn and soybeans
- This can only be accomplished through a farmer-health-enviro-rural development coalition

## **The Institute for Agriculture and Trade Policy**

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## **Upcoming Programs:**

**Emergencies, Stress Management  
and Care for First Responders  
Wednesday, August 17, 2005  
2:00 - 4:00 p.m. (Central Time)**

**For complete listing of upcoming  
programs visit: [www.adph.org/alphtn](http://www.adph.org/alphtn)**